

AMENDED IN SENATE JULY 11, 1996

AMENDED IN SENATE JULY 21, 1995

AMENDED IN SENATE JUNE 7, 1995

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

ASSEMBLY BILL

No. 939

Introduced by Assembly Member Cortese
(Principal coauthor: Senator Maddy)
(Coauthors: Senators Beverly, Kelley, and Petris)

February 22, 1995

An act to amend Section 55601.5 of the Food and Agricultural Code, relating to agriculture.

LEGISLATIVE COUNSEL'S DIGEST

AB 939, as amended, Cortese. ~~California wine industry~~
Grape crush report.

Existing law requires every processor who crushes grapes in California to annually furnish to the Secretary of Food and Agriculture a report of the total number of tons of grapes purchased by the processor in California during the preceding crush within each grape pricing district.

This bill would name the section of the Food and Agricultural Code that so provides the "Clare Berryhill Grape Crush Report Act of 1976."

~~Existing law requires the Department of Food and Agriculture to seek to enhance, protect, and perpetuate the ability of the private sector to produce food and fiber in a way that benefits the general welfare and economy of the state.~~

~~This bill would state the intent of the Legislature that the Assembly Select Committee on Wine Production and Economy and the Senate Select Committee on California's Wine Industry enter into and sponsor a dialogue with growers of wine grapes, vintners, representatives of the University of California, the California State University, and other representatives of the California wine industry to explore the concept of a partnership between state government and the wine industry for a specified purpose.~~

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. It is the intent of the Legislature that the~~
 2 *SECTION 1. Section 55601.5 of the Food and*
 3 *Agricultural Code is amended to read:*
 4 55601.5. (a) *This section shall be known, and may be*
 5 *cited as, the "Clare Berryhill Grape Crush Report Act of*
 6 *1976."*
 7 (b) Notwithstanding Section 55461, on or before
 8 January 10 of each year, every processor who crushes
 9 grapes in California shall furnish to the ~~director~~ *secretary*,
 10 on forms provided by the ~~director~~ *secretary*, a report of
 11 the total number of tons of grapes purchased by ~~such~~ *the*
 12 processor in California during the preceding crush within
 13 each grape pricing district. In the report ~~such~~ *tonnage*
 14 shall be broken down by variety, price, including any
 15 bonuses or allowances, and sugar calculations. Every ~~such~~
 16 processor shall also furnish the ~~director~~ *secretary*, on
 17 forms provided by the ~~director~~ *secretary*, a report of the
 18 total number of tons of each variety of grapes crushed
 19 during the preceding crush and the average sugar
 20 content of each variety within each grape pricing district.
 21 ~~(b) On~~
 22 *On* or before February 25 of every year, each processor
 23 who crushes grapes in California shall furnish the ~~director~~
 24 *secretary* information concerning the final prices,
 25 including any bonuses or allowances, paid by variety and
 26 grape pricing district to all growers holding reference

1 price contracts in effect prior to January 1, 1977, which
2 payments have not been reported on January 10.

3 (c) "Grape pricing districts," as used in this section,
4 ~~shall be~~ *are* those districts used by the federal-state
5 cooperative news services, as provided in Section 58231.

6 (d) The ~~director~~ *secretary* may not release or
7 otherwise make available any information furnished by
8 an individual processor under this section, except in
9 proceedings brought against ~~such~~ *that* processor by the
10 ~~director~~ *secretary* for the purpose of enforcing ~~the~~
11 ~~provisions of~~ this section, or in the case of a producer who
12 holds any reference price grape purchase contract, to
13 whom there may be furnished, upon request and at a
14 reasonable cost, the information needed to verify the
15 reference price, including any bonuses or allowances, set
16 forth in the contract.

17 (e) The ~~director~~ *secretary* shall enforce the collection
18 of such information and shall, on or before February 10 of
19 each year, publish a preliminary summary report on the
20 preceding crush. ~~Such~~ *The* report shall include *all of the*
21 *following: (1) the*

22 (1) *The* weighted average price paid on the basis of
23 the prices, including any bonuses or allowances, reported
24 and average sugar content for each grape variety
25 purchased within each grape pricing district; ~~(2) the~~.

26 (2) *The* total number of tons of grapes crushed and the
27 average sugar content for each grape variety within each
28 grape pricing district; ~~and (3) each~~.

29 (3) *Each* price category paid, separated by sugar
30 calculations, if any, and the percentage each represents
31 of the total for each variety within each grape pricing
32 district. ~~On~~

33 *On* or before March 10 of each year, the ~~director~~
34 *secretary* shall publish a final summary report, which
35 report shall contain all of the data furnished by the
36 processors on or before January 10 and on or before
37 February 25 of each year covering purchases under
38 reference price contracts.

39 (f) The forms provided to processors by the ~~director~~
40 *secretary* pursuant to this section shall provide for the

1 separate reporting of grapes used by a processor (1) as
2 distilling material and (2) for both beverage brandy and
3 other than beverage brandy. A processor shall report all
4 grapes used as distilling material by variety. The ~~director~~
5 *secretary*, in determining the weighted average price
6 paid for each grape variety purchased within each grape
7 pricing district, shall not include the prices paid for
8 grapes of any variety used as distilling material for other
9 than beverage brandy in determining ~~such~~ the weighted
10 average price. The ~~director's~~ *secretary's* report shall
11 include a separate summary regarding grapes used by
12 processors as distilling material.

13 (g) All grape purchase contracts entered into on or
14 after January 1, 1977, shall provide for a final price,
15 including any bonuses or allowances, to be set on or
16 before the January 10 following delivery of the grapes
17 purchased. Any grape purchase contract entered into in
18 violation of this provision is illegal and unenforceable. For
19 the purpose of this section, a grape purchase contract
20 shall not include any existing supply contract between a
21 nonprofit cooperative association and a commercial
22 processor.

23 (h) If the ~~director~~*secretary* finds that any processor
24 has failed, refused, or neglected to provide the
25 information required herein, the ~~director~~ *secretary* may
26 proceed in accordance with Sections 55721 and 55722.

27 (i) The willful failure of any processor to report to the
28 ~~director~~ *secretary*, as required by this section, ~~shall~~
29 ~~constitute~~*constitutes* a violation of this chapter and ~~shall~~
30 ~~be~~*is* a separate and distinct violation of this chapter for
31 each day ~~such~~*the* processor fails to meet ~~such~~*the*
32 reporting requirements.

33 ~~Assembly Select Committee on Wine Production and~~
34 ~~Economy and the Senate Select Committee on~~
35 ~~California's Wine Industry enter into and sponsor a~~
36 ~~dialogue with growers of wine grapes, vintners,~~
37 ~~representatives of the University of California, the~~
38 ~~California State University, and other representatives of~~
39 ~~the California wine industry to explore the concept of a~~
40 ~~partnership between state government and the wine~~

1 ~~industry for the purpose of maximizing research funding~~
2 ~~to ensure the long-term health and competitive position~~
3 ~~of the California wine and grape industries, ensuring that~~
4 ~~existing research projects are directed toward long-term~~
5 ~~objectives that will maximize competitiveness in a~~
6 ~~worldwide market, and eliminating duplicative research~~
7 ~~efforts.~~

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